

Introduced by Senator Pavley

January 29, 2014

An act to add Article 2.3 (commencing with Section 33135) to Chapter 2 of Part 20 of Division 2 of Title 2 of the Education Code, relating to educational apprenticeships, and making an appropriation therefor.

LEGISLATIVE COUNSEL'S DIGEST

SB 923, as introduced, Pavley. Educational apprenticeships: Educational Apprenticeship Innovation Act.

Existing law establishes the office of the Superintendent of Public Instruction, and specifies that the Superintendent is the ex officio Director of the State Department of Education. Under existing law, the State Department of Education administers numerous programs relating to elementary and secondary education.

This bill would enact the Educational Apprenticeship Innovation Act, pursuant to which a competitive grant, known as the Educational Apprenticeship Innovation Prize (EdPrize), would be awarded to applicant school districts, county offices of education, charter schools, and community college campuses for purposes of promoting apprenticeships, preapprenticeships, and career pathways among local educational agencies, institutions of higher education, and businesses of importance to local economies.

The bill would require the Superintendent to convene a committee, with designated membership, to establish criteria for awarding the EdPrize grants and administer the grant program. The bill would specify certain minimum criteria to determine the competitive value of an application for the grant. The bill would specify the amounts of the first, 2nd, and 3rd place annual grants.

The bill would specify certain responsibilities of grant recipients, including the formation of a committee to survey and evaluate local skilled workforce needs, the employment of a supervisor to evaluate business workforce needs and pupil outcomes, and the submission of an annual report to the State Department of Education and the legislative education policy committees.

The bill would appropriate \$10,000,000 from the Career Pathways Trust Fund to the State Department of Education for the funding of grants issued pursuant to the Educational Apprenticeship Innovation Prize program established under the bill.

Vote: majority. Appropriation: yes. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. The Legislature finds and declares all of the
2 following:

3 (a) As reported by Governing Magazine, the United States
4 Bureau of Labor Statistics reported that the unemployment rate of
5 Californians between 16 and 24 years of age stood at 20.2 percent,
6 which is the fourth highest in the nation.

7 (b) This high youth unemployment rate has affected young
8 people who either have not yet earned or will not earn a college
9 degree particularly hard, as the lack of opportunity can prevent
10 these young people from fully participating in society, thus
11 increasing costs for local and state agencies due to increased
12 reliance on social welfare and public safety resources.

13 (c) This lack of opportunity is likely to increase, as, according
14 to a study by Opportunity Nation, 60 percent of all jobs will require
15 at least an associate's degree by 2018.

16 (d) Thousands of jobs across multiple, vital industrial sectors
17 have gone unfilled due to a shortage of well-trained skilled
18 workers, resulting in losses in productivity, costs to employers and
19 the public sector, and an overall erosion of the California and
20 national economy.

21 (e) According to a study by the Society for Human Resource
22 Management, 70 percent of California businesses across different
23 economic sectors stated that it was either somewhat difficult or
24 very difficult to fill certain positions, mostly due to applicants

1 lacking the skill sets needed to complete work tasks and
2 responsibilities.

3 (f) With a large percentage of the skilled workforce approaching
4 retirement age, the local, state, and national economies will be
5 facing an even greater skills gap than that which exists today.

6 (g) The dual needs of ensuring that young people are given the
7 opportunity to learn vital job skills and succeed professionally and
8 that our businesses have a large pool of skilled workers to fill
9 current and future workforce needs are relevant and interconnected
10 with each other.

11 (h) Local California educators, communities, and businesses
12 have long recognized this relevance and interconnectedness, have
13 experimented on a small scale with different models, and have
14 taken inspiration from the programs developed in other states like
15 Massachusetts and countries like Switzerland and Germany.

16 (i) Apprenticeships, preapprenticeship programs, and other
17 forms of work-based learning provide opportunities for pupils to
18 explore and begin careers in some of the fastest growing economic
19 sectors in the state, such as advanced manufacturing, computer
20 technology and IT services, energy efficiency, clean technology,
21 nursing and health care services, entertainment, the culinary arts
22 and hospitality, and banking and financial services.

23 (j) The current and future generations of Californians must be
24 given the opportunity to work and find avenues to gainful
25 employment in industrial areas relevant to their local communities
26 and in order to help them pursue a productive and satisfying future.

27 (k) The State of California, local communities, industry, and
28 youth would benefit from enhanced opportunities for students to
29 begin training for high-skill, high-wage jobs while enrolled in high
30 school.

31 (l) Preparing future generations for career placement and
32 workplace instruction is best determined by institutions of primary,
33 secondary, and postsecondary education working in conjunction
34 with local business, labor, and civic leaders.

35 SEC. 2. Article 2.3 (commencing with Section 33135) is added
36 to Chapter 2 of Part 20 of Division 2 of Title 2 of the Education
37 Code, to read:

1 Article 2.3. Educational Apprenticeship Innovation Act

2
3 33135. This article shall be known, and may be cited, as the
4 Educational Apprenticeship Innovation Act.

5 33135.5. (a) There is hereby established the Educational
6 Apprenticeship Innovation Prize (EdPrize) for purposes of
7 promoting apprenticeships, preapprenticeships, and career pathways
8 between local educational agencies, institutions of higher
9 education, and businesses of importance to local economies. Grants
10 allocated for the EdPrize shall be distributed on a competitive
11 basis.

12 (b) The Superintendent shall convene a committee to establish
13 criteria, in addition to those listed in subdivision (c), for awarding
14 the EdPrize grants and administer the program. The members of
15 the committee shall serve at the pleasure of the appointing
16 authority, and shall include all of the following:

17 (1) The Superintendent, or his or her designee, who shall serve
18 as the chairperson.

19 (2) A member appointed by the Senate Committee on Rules.

20 (3) A member appointed by the Speaker of the Assembly.

21 (4) A member appointed by the Chief of the Division of
22 Apprenticeship Standards of the Department of Industrial Relations.

23 (5) A member appointed by the California Workforce Investment
24 Board.

25 (6) A member appointed by the Board of Governors of the
26 California Community Colleges.

27 (7) Both of the following members, appointed by the
28 Superintendent:

29 (A) A representative of an organization representing school
30 administrators.

31 (B) A representative of the California School Boards
32 Association.

33 (c) The committee shall use, at minimum, all of the following
34 criteria to determine the competitive value of an application:

35 (1) The ability of the proposed program to provide at least two
36 years of apprenticeship, preapprenticeship, or other forms of
37 workforce training to eligible high school pupils in grades 11 and
38 12 or the ability to provide eligible high school pupils with a career
39 and educational pathways to a campus of the California Community
40 Colleges.

1 (2) The ability to place eligible high school pupils in
2 apprenticeships, preapprenticeships, internships, and work-place
3 learning environments in fields determined to be of local economic
4 importance, as determined through data and evidence-driven
5 analysis.

6 (3) The ability of the proposed program to provide eligible high
7 school pupils the opportunity to work in an economic sector with
8 gainful employment opportunities.

9 (4) The ability of the proposal to address the needs of the local
10 or regional labor market and help competitive and emerging
11 industry sectors and industry clusters, or to the state's need to fill
12 skills gaps and skills shortages in the economy, including skills
13 gaps and shortages at the regional level.

14 (5) An assessment of the past performance of the applying
15 entities if the agency has been awarded other economic and
16 workforce development grants or other state grants, including an
17 assessment of whether the grantee's previous awards produced
18 project deliverables specified in prior grant applications.

19 (6) The ability to create a written agreement among the applicant
20 entities, the participating eligible high school pupils or their
21 parents, and participating employers in order to ensure commitment
22 to the pupil's academic and professional success, and ensure the
23 successful completion of the apprenticeship, preapprenticeship,
24 work-based learning program, or educational pathway.

25 (7) The ability to provide participating eligible high school
26 pupils with a worksite mentor to help train, guide, and supervise
27 the pupil.

28 (d) Grants allocated pursuant to this section shall be distributed
29 over a five-year period in the following amounts:

30 (1) First place grant recipient: seven hundred fifty thousand
31 dollars (\$750,000) per fiscal year. No more than one applicant
32 shall receive the first place grant in any fiscal year.

33 (2) Second place grant recipients: three hundred seventy-five
34 thousand dollars (\$375,000) per fiscal year. No more than two
35 applicants shall receive the second place grant in any fiscal year.

36 (3) Third place grant recipients: one hundred twenty-five
37 thousand dollars (\$125,000) per fiscal year. No more than four
38 applicants shall receive the third place grant in any fiscal year.

39 (e) Grants allocated pursuant to this section shall be used to
40 support the instructional, material, labor, regulatory, and

1 administrative costs of the apprenticeship, preapprenticeship,
2 work-based learning, or educational pathway. During the first
3 fiscal year of allocation, grants allocated pursuant to this section
4 may be used for planning purposes or to establish and formalize
5 partnerships among the applicant entities, local businesses, and
6 postsecondary educational institutions.

7 33136. (a) An entity applying for funding pursuant to Section
8 33135.5 shall be required to form a committee to survey and
9 evaluate local skilled workforce needs. This committee shall
10 include all of the following: representatives of business
11 organizations, a representative from the local Workforce
12 Investment Board in whose territory the school is located, a
13 representative of the local county office of education,
14 representatives from the faculty and administrative staff of local
15 elementary, secondary, and postsecondary educational institutions,
16 a member to represent parents, and a member to represent pupils.

17 (b) Upon receiving grant funding through the EdPrize program,
18 the applicant entity shall employ a supervisor to evaluate business
19 workforce needs and pupil outcomes. The supervisor shall be
20 responsible for all of the following:

21 (1) Making recommendations for coordinating the curriculum
22 and pupil services in a way that addresses business workforce
23 needs and maximizes pupil outcomes.

24 (2) Ensuring the transferability of course credits and adherence
25 to statewide standards.

26 (3) Establishing an outreach program for pupils in grades 8, 9,
27 and 10.

28 (4) Ensuring that the curriculum includes coursework that is
29 applicable to a certificate program, or to a two-year degree
30 program.

31 (c) A recipient of grant funding pursuant to this article shall
32 submit a report to the department, the Senate Committee on
33 Education, and the Assembly Committee on Education annually
34 during the lifetime of the grant. These reports shall include, but
35 not necessarily be limited to, information on all of the following:

36 (1) Apprenticeships, preapprenticeships, and work-based
37 learning programs the applicant entities offered, the economic
38 sector and targeted workforce need, and the participating employer
39 or employers.

1 (2) An assessment of the educational and training goals, the
2 projected numbers of pupils and workers served and the projected
3 rates of course and program completion, and the projected wages
4 and rate of employment placement for those entering the labor
5 market.

6 (3) An assessment of the purported beneficial impacts on
7 participating businesses, which may include a review of the grant's
8 purported impacts on any of the following: increased labor
9 productivity, and personnel or workforce needs addressed through
10 the apprenticeship, preapprenticeship, or work-based learning
11 program.

12 (4) An assessment of the educational attainment of the pupils
13 served, including the percentage who earned a certificate or
14 associate's degree, transfer-readiness, and the projected rate of
15 skills attainment for certificates and degrees.

16 (5) The long-term viability of the apprenticeship,
17 preapprenticeship, work-based learning program, or educational
18 pathway established under this article, ability to attract material,
19 in-kind, or financial support from private and philanthropic sources,
20 areas for improvement, and possible expansion into other economic
21 sectors of local importance.

22 33136.5. As used in this article:

23 (a) "Eligible high school pupil" means a pupil in grade 11 or
24 12 who has passed, or is exempt from, the high school exit
25 examination administered under Section 60851 and is satisfactorily
26 meeting the requirements of Section 51225.3.

27 (b) "Entity" means a school district, county office of education,
28 charter school, or campus of the California Community Colleges,
29 applying for funding under this article.

30 SEC. 3. The sum of ten million dollars (\$10,000,000) is hereby
31 appropriated from the Career Pathways Trust Fund to the State
32 Department of Education, without regard to fiscal year, for the
33 funding of grants issued pursuant to the Educational Apprenticeship
34 Innovation Prize program established pursuant to Article 2.3
35 (commencing with Section 33135) of Chapter 2 of Part 20 of
36 Division 2 of Title 2 of the Education Code.